

By the Committee on Comprehensive Planning, Local and Military Affairs; and Senator Dyer

316-2097-99

1 A bill to be entitled
2 An act relating to ad valorem tax exemptions;
3 amending s. 196.012, F.S.; amending the
4 definition of the term "new business," as used
5 in ch. 196, F.S.; amending s. 196.1995, F.S.;
6 providing an ad valorem tax exemption for new
7 businesses comprising artistic and cultural
8 improvements to real estate which are used for
9 specified purposes; providing for certain
10 economic development ad valorem tax exemptions;
11 providing for extension of such exemptions;
12 providing an effective date.

14 Be It Enacted by the Legislature of the State of Florida:

16 Section 1. Paragraphs (c) and (d) are added to
17 subsection (15) of section 196.012, Florida Statutes, to read:

18 196.012 Definitions.--For the purpose of this chapter,
19 the following terms are defined as follows, except where the
20 context clearly indicates otherwise:

21 (15) "New business" means:

22 (c)1. An arts or cultural organization that is tax
23 exempt under s. 501(c)(3) of the Internal Revenue Code of
24 1986, as amended; or

25 2. Any person or entity that is building or renovating
26 improvements to real property which will include theater
27 space, an art gallery open to the public, or some other
28 improvement that is dedicated to the development and
29 exhibition of the performing or visual arts.

30 (d) A business that is situated on property annexed
31 into a municipality and that, at the time of the annexation,

1 is receiving an economic development ad valorem tax exemption
2 from the county under s. 196.1995.

3 Section 2. Present subsections (6), (7), (8), and (9)
4 of section 196.1995, Florida Statutes, are redesignated as
5 subsections (8), (9), (10), and (11), respectively, and new
6 subsections (6) and (7) are added to that section, to read:

7 196.1995 Economic development ad valorem tax
8 exemption.--

9 (6) With respect to a new business as defined in s.
10 196.012(15)(c), the taxing authority having jurisdiction to
11 levy ad valorem taxes may exempt from taxation under
12 subsection (5) only that portion of an improvement to real
13 property which constitutes theater space, an art gallery open
14 to the public, or some other improvement that is dedicated to
15 the development and exhibition of the performing or visual
16 arts. The amount of such a tax exemption must be calculated by
17 multiplying the total amount of the ad valorem taxes that
18 would otherwise be imposed times the percentage obtained by
19 dividing the total square footage of the improvement into the
20 square footage that is dedicated to the purposes specified in
21 this subsection and s. 196.012(15)(c).

22 (7) With respect to a new business as defined in s.
23 196.012(15)(d), the municipality annexing the property on
24 which the business is situated may grant an economic
25 development ad valorem tax exemption under this section to
26 that business for a period that will expire upon the
27 expiration of the exemption granted by the county. If the
28 county renews the exemption under subsection (8), the
29 municipality may also extend its exemption. A municipal
30 economic development ad valorem tax exemption granted under

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1 this subsection may not extend beyond the duration of the
2 county exemption.

3 Section 3. This act shall take effect upon becoming a
4 law.

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6 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
7 COMMITTEE SUBSTITUTE FOR
8 Senate Bill 2414

9 CS for SB 2414 differs from the bill in the following ways:

10 Deletes section 3 of the bill, which commends the Central
11 Florida Theatre Alliance; and
12 Allows the municipal economic development property tax
13 exemption to be granted to businesses on annexed property that
14 currently receive the exemption from the county.
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